

SECTION 1. Chapter 21, Insurance Code, is amended by adding Article 21.49-2E to read as follows:

Art. 21.49-2E. REQUIREMENTS FOR WRITTEN STATEMENT OF REASON FOR CANCELLATION, DECLINATION, OR NONRENEWAL. (a) An insurer's written statement giving the reason or reasons for cancellation, declination, or nonrenewal of an insurance policy required by Articles 21.49-2, 21.49-2A, and 21.49-2B of this code shall fully explain a decision which adversely affects an applicant or policyholder by denying the applicant or policyholder coverage or continued coverage, and such statements shall:

(1) state the precise incident, circumstance, or risk factor or factors applicable to the applicant or policyholder that violate the guideline or guidelines;

(2) state the source of information the insurer relied on regarding the incident, circumstance, or risk factor or factors; and

(3) specify any other information deemed relevant by the commissioner.

(b) The commissioner is authorized and directed to issue rules necessary to implement this article.

SECTION 2. This Act takes effect September 1, 1999, and applies to a cancellation, declination, or nonrenewal of an insurance policy under Article 21.49-2E, Insurance Code, as added by this Act, that occurs on or after January 1, 2000. A cancellation, declination, or nonrenewal that occurs before January 1, 2000, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on April 19, 1999: Yeas 30, Nays 0; the Senate concurred in House amendment on May 28, 1999, by a viva-voce vote; passed the House, with amendment, on May 26, 1999, by a non-record vote.

Approved June 18, 1999.

Effective September 1, 1999.

CHAPTER 634

S.B. No. 987

AN ACT

relating to the issuance of Texas Young Lawyers Association license plates.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter F, Chapter 502, Transportation Code, is amended by adding Section 502.299 to read as follows:

Sec. 502.299. TEXAS YOUNG LAWYERS ASSOCIATION LICENSE PLATES. (a) The department shall issue specially designed Texas Young Lawyers Association license plates for passenger cars and light trucks.

(b) The license plates must bear the words "And Justice For All" and be of a color, quality, and design approved by the Texas Young Lawyers Association in consultation with the department.

(c) The department shall issue license plates under this section to a person who:

(1) applies to the county assessor-collector of the county in which the person resides on a form provided by the department; and

(2) pays an annual fee of \$30, in addition to the fee prescribed by Section 502.161, and, if personalized prestige license plates are issued, in addition to the fee prescribed by Section 502.251.

(d) Of each fee collected under this section, the department shall deposit \$25 to the credit of the basic civil legal services account established under Section 51.903, Government Code, as added by Chapter 699, Acts of the 75th Legislature, Regular Session, 1997. The remainder of the fee may be used only by the department to defray the cost of administering this section.

(e) If the owner of a vehicle registered under this section disposes of the vehicle during the registration year, the owner shall return the special license plates to the department.

SECTION 2. This Act takes effect September 1, 1999.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on April 8, 1999: Yeas 30, Nays 0; passed the House on May 22, 1999, by a non-record vote.

Approved June 18, 1999.

Effective September 1, 1999.